IN THE HIGH COURT OF JUDICIATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.963 OF 1998

The Commissioner of Income-tax,
Pune .. Applicant.
V/s.
Khosla Plastics Pvt.Ltd. .. Respondent.

Mr.Parag Vyas with Mr.Ashok Kotangale & Mr.A.S. Rao for the applicant.
Mr.Pramod Vaidya i/b. S.N.Inamdar for the respondent.

CORAM : V.C. DAGA &
J.P. DEVADHAR, JJ.
DATED : 18TH OCTOBER, 2005.

P.C. :

1. Heard the learned counsel for the applicant. The Tribunal has referred following question for the opinion of this Court reading as under :-

> Whether in the facts and in the circumstances of the case, the Tribunal was justified in law in holding that the provisions of sec.40(c) of the Income Tax Act, 1961 are applicable to the remuneration paid to the Director Shri O.P. Khosla and consequently holding that no disallowance u/s.40A(5) of the Act, is called for ?

2. The learned counsel for the applicant-revenue fairly submits that the above question has already been answered by the Division Bench of this Court in the case of CIT V/s. Hico Products P. Ltd. (No.1) [(1993) 201 ITR 567 (Bom)] in favour of the assessee and against the revenue. In this view of the matter, question stands answered in affirmative for the reasons stated in the case cited supra. Reference, accordingly stands disposed of with no order as to costs.

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